



## FISCAL MEMORANDUM

### SB 693 - HB 813

March 8, 2022

**SUMMARY OF BILL AS AMENDED (005403, 014961):** Establishes the Tennessee Food Freedom Act (Act) for the purpose of recognizing the right of individuals to produce, procure, and consume homemade foods of their choice. Exempts from licensing, permitting, inspecting, packaging and label laws of this state the production and sale of certain homemade, non-time/temperature control for safety food items.

### FISCAL IMPACT OF BILL AS AMENDED:

**Decrease State Revenue – Exceeds \$10,000/FY22-23 and Subsequent Years/  
Agriculture Regulatory Fund**

**Decrease State Expenditures –  
Exceeds \$10,000/FY22-23 and Subsequent Years/  
Agriculture Regulatory Fund**

Assumptions for the bill as amended:

- The Act will become effective July 1, 2022.
- The Department of Agriculture (DOA) currently issues licenses for small and home kitchens.
- This legislation will result in a decrease in such licenses.
- Based on information provided by the DOA, small manufacturer licenses are \$50 per license and account for approximately \$30,900 in licensure fee revenue annually.
- It is estimated that this legislation will result in a decrease in licensure fee revenue to the DOA by approximately 200 licenses which could potentially no longer seek licensure with the department as a direct result of this Act.
- A recurring decrease in state revenue exceeding \$10,000 (200 license x \$50 per license) in FY22-23 and subsequent years.
- This legislation will result in a decrease in expenditures currently incurred by the DOA to travel and investigate small manufacturers.
- The average expenditures incurred by the DOA for inspection of small manufacturer sites are estimated to be \$50. The recurring decrease in state expenditures to the ARF is estimated to exceed \$10,000 (\$50 average expense x 200 small manufacturer sites).

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/jb